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The BIG B

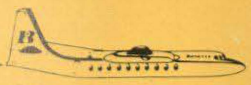
Summer Issue
1961

"... THIS IS THE PLACE"

Bonanza Air Lines

BONANZA — LAND

IS VACATION LAND IN THE WEST



THIS MONTH, VISIT . . .

SALT LAKE CITY

Enjoy the Historic Wonder of the "Old Mormon Trail", The beautiful and unique Mormon Tabernacle, and many many other scenic points.

Swim in World Famous "Salt Lake", enjoy Saltair Beach resort . . . See copper mines, salt ponds . . . all in your wonderful Salt Lake vacation!

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5:30 p.m.	8:13 p.m.	8:50 p.m.	11:33 p.m.

FOR MORE INFORMATION ON HISTORIC SALT LAKE CITY WRITE TO BONANZA AIR LINES TOUR DEPT. BOX 391 LAS VEGAS, NEV.

BONANZA

ALL F-27A JET-PROP SILVER DART SERVICE

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Other photos as credited.

Bonanza's Jetprop Silver Dart offers jet-age comfort and speed
ON ALL FLIGHTS — ON ALL ROUTES

"...THIS IS THE PLACE"

The Heart of Salt Lake City

"And we will have a city clean and in order"

When Brigham Young spoke these words, he was looking across a desert valley. A few cottonwoods grew along the creeks. Occasionally, there was an oak or juniper, but most of the vegetation was no "higher than a willow bush." One of the group of Mormon pioneers commented, "Timber can hardly be said to be scarce in this region (for) there is scarcely enough to be named – and the sage is as scarce as the timber."*

But another of the party observed, "If it could receive timely rains, it would be one of the most beautiful, fertile lands on the face of the earth. It is watered by numerous brooks and rivulets, perpetually flowing out of the mountains on every side."*

On July 22, 1847, the little band set up camp along a creek. The next day they began to break the soil for planting. They dammed the creek for irrigation – the first group of Anglo-Saxons to utilize irrigation in America. Scouting parties investigated the

**Utah Historical Quarterly, July 1959, "Changing Face of Salt Lake City" by Dale L. Morgan.*

area. Returning to camp, they confirmed Brigham Young's statement, and on July 28, the group voted to establish their city on the campsite, and the creek became known as City Creek.

Salt Lake City came into being as a well-planned community. The lots were carefully laid out in uniform squares – eight lots to a block – with the houses set in the center of the lots, twenty feet from the streets. Live stock was not permitted on the lots, nor were children allowed to play there, for they had yards especially allotted for that purpose. City blocks were ten acres each and were bounded by streets wide enough to accommodate traffic even to this day. In the heart of the city, ten acres were set aside for a temple and appurtenant structures.

It was intended that the city, as it grew, should be clean and in order. A century after its origination, Salt Lake City still has no slums in the accepted sense.

In 1849-50, Salt Lake City served as the seat of government for the provisional state of Deseret, and then as

Utah's Capitol Building

the capital of the Territory of Utah until 1896 (except for two short periods when attempts were made to establish the capital in Fillmore). With the admittance of Utah into the Union, Salt Lake City became the state capital, and has remained so since.

"Center of Scenic America"

From a desert valley has sprung a city of gardens. Trees line the avenues – each tree carefully planted and tended. Greenery abounds in the yards of its residents, whose ancestors took a land where little grew higher than a willow bush and transformed it into an arboretum.

Salt Lake City, "Center of Scenic America", occupies an area once covered by prehistoric Lake Bonneville. Elevation varies from a little over 4200 to 5100 feet. The eastern and northern sections of the city are located on a series of lake terraces – locally called "benches". The adjacent Wasatch Mountains tower in the east to over 11,000 feet. Across the valley, the Oquirhh Mountains rise to 10,000 feet. The Jordan River, fed by Utah Lake, flows through the western part of the city and finds an outlet in the Great Salt Lake. Seven canyon streams pour from the Wasatch and empty into the Jordan. For nearly a hundred years, these streams were the major source of water.

Snow Scene at Alta

No other metropolis in the United States has such an abundance of beautiful canyons within easy access. Fifteen minutes from the center of the business district, year-round recreations are available. Among the canyons are City Creek, Emigration (where stands "This Is The Place" monument), Parleys, Mill Creek, Big Cottonwood and Little Cottonwood. In the Cottonwood canyons, Alta and Brighton ski resorts offer winter sports facilities that rival St. Moritz. The many lakes and streams are a fisherman's paradise, and the surrounding mountains are alive with nearly every kind of game for the hunter's enjoyment.

A half hour from the city, the waters of Great Salt Lake buoy swimming enthusiasts and literally float the boats on the surface.

The city itself has many points of interest within its boundaries. The various monuments – such as Seagull, Brigham Young and the Handcart Pioneers – symbolize the struggle to conquer a desert valley. Temple Square houses many interesting buildings, including the Mormon Temple, Tabernacle and the first house built in Utah. The Great Organ in the Tabernacle was built by Utah artisans almost entirely by hand. Each day at noon, the Tabernacle rings with the music of this 10,740-pipe organ.

The state capitol building contains many interesting mineral and agricultural exhibits. The University of Utah – founded in 1850, the first university west of Mississippi – has many fine geologic specimens, including five almost complete dinosaur skeletons.

There are municipal rose gardens with more than 300 varieties of roses, the Hogle Zoological Gardens (where lives Shasta – possibly the only living offspring of a lion and a tiger), and there are several fine country clubs and municipal golf courses.

Summer Scene at Brighton

Whatever the vacationer or resident may seek, in all probability, there is a facility to meet his needs in Salt Lake City.

From that original band of 148 Latter Day Saints, Salt Lake City has grown into a metropolis of 189,454 citizens.* It is the population center of Utah; the geographical heart of the eleven western states; and the commercial, industrial and financial center of the Intermountain Region. The hub of the West's mining, smelting and refining industry, Salt Lake City is the home of the greatest non-ferrous smelting center in the world.

"The Fruit of the Earth and the Fruit of the Mind"

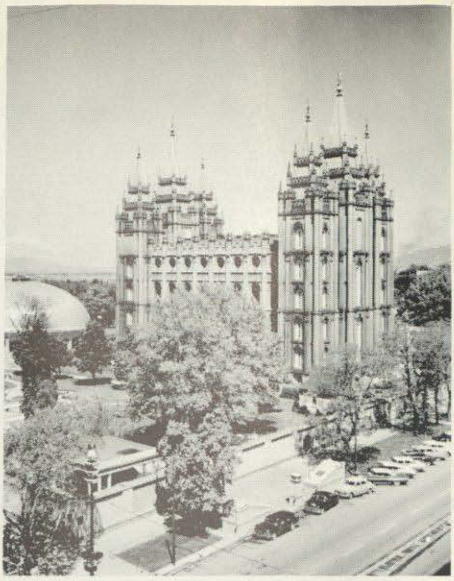
As the settlers of Salt Lake City desired to bring forth the fruits of the earth, they also desired to bring forth the fruits of the intellect. They have achieved in both.

In addition to the university, the school system consists of four high schools, ten junior high, forty elementary schools, and a large vocational school which offers training in over fifty trades and skills. Additional schools are under construction or in the city's blue print for the future. There are also a number of private schools, colleges and business colleges. Numerous lectures and cultural courses are presented to the public

U.S. Census – 1960

throughout the year, and many adult education classes are available.

There are five public libraries, a comprehensive law library at the State Capitol, a general library, and several special libraries, at the university, and libraries at the various other educational institutions and public schools. As a result of the importance placed on the development of the mind, Salt Lake City is second highest in the nation with respect to the literacy of its people.



The city is proud of its prestige as a religious center, with most of the leading world religions represented. Altogether, there are over 180 places of worship.

The aesthetic nature of Salt Lake residents is also reflected in more than a score of theatres for the presentation of films and plays. The dramatic club at the university is the oldest of its kind in the country. And music, too, has played an important role. The daily organ recitals at the Tabernacle, the Sunday broadcasts by the internationally famous Tabernacle Choir, productions by the Utah Symphony Orchestra, and the annual rendition of Handel's "Messiah" have given Salt Lake City an enviable reputation in the music world.

A modern city has evolved in this "Land of Deseret". Like the beehive – emblem of the state – it is an industrious community; and like the Temple in its heart, Salt Lake City has grown into magnificence.

Photo left: Mormon Battalion Monument in honor of the Mormon Battalion which made the longest march in history during the Mexican War.

Photo top right: The famous Mormon Temple. Building of the Temple required forty years.

AMERICA'S DEAD SEA

The Great Salt Lake

A huge sheet of water – some 75 miles long, 50 miles wide, but only 15 to 35 feet deep – occupies the bottom of the largest closed basin in North America. This is the Great Salt Lake, descendent of ancient Lake Bonneville. The lake is fed principally by the Jordan, Bear and Weber rivers, but many creeks and streams also contribute.

The lake is almost completely surrounded by flat plains, and the slightest change in water level considerably alters the lake's area. Rise and fall of the lake affects the salinity of the water, but normally, the salt content is 23% to 25% - about the same as that of the Dead Sea in Palestine. This saline concentration has a tremendous buoyant effect. Boats ride high, and swimmers float without moving a muscle.

Yet, in spite of the high salt content, the lake sometimes "miraculously" has icebergs on its surface. The salt water, of course, does not freeze. What actually happens is that, during relatively calm weather, waters flowing from the fresh streams into the lake do not always immediately mix with the brine, but float in pools on the surface. In winter, these fresh-water pools freeze, forming sheets of ice. When the sheets are broken loose by the elements, they float about the lake as icebergs. One of Great Salt Lake's largest icebergs occurred in 1942, when the wind created an island of ice 30 feet high and 100 feet across.

Although the salinity of the lake prohibits the existence of fish, marine life can be found in the waters. Most common is the tiny brine shrimp which is visible to the naked eye. In addition, several species of microscopic life have been discovered. Plant life is represented by algae and a form of seaweed which grows in the deeper waters.

The Islands of Great Salt Lake

Islands dot the Great Salt Lake, and fresh-water springs can be found on some of them. During the last cen-

tury, some of these islands have been the homes of settlers. Four of them have been used as stock ranges, and are still considered fine grazing lands. Agricultural attempts, however, have not met with any unusual success.

Thousands of sea gulls and pelicans nest on the islands, but the rookeries are practically inaccessible to the average visitor. The sea gulls, of course, are honored and protected by Utah law, because of their role in saving the crops during the summer of 1848. That year, the fields of the Mormon pioneers were attacked by hordes of large black crickets. All attempts by the people to destroy the crickets ended in failure. Then, as it appeared that the crops would be completely devoured, flocks of sea gulls swooped down upon the crickets, ending the devastation of the fields.

The Salt Beds of Great Salt Lake

Like most rocks, the stones and boulders in the mountains surrounding the Great Salt Lake contain minute quantities of salt. Over the centuries, rain and snow washed the salt from the rocks and carried it to the rivers and streams which feed the lake. These tributaries have deposited over 5 billion tons of salt in the lake. Since Great Salt Lake has no outlet, except evaporation, all of the salt carried into it has remained. Extraction of the salt is one of Utah's oldest industries.

The Mormon settlers discovered salt beds created by the evaporation of the lake waters. Discovery of the beds sparked the conception and building of artificial evaporation ponds. Today, many small salt companies operate along the Great Salt Lake. At harvest time, the fields of salt are actually plowed with a tractor, and then scraped into piles to "weather" before final processing. One of the larger salt companies harvests as much as 150,000 tons in a season.

West of the Great Salt Lake, is the world's fastest auto race track, Bonneville Salt Flats. Nine months of the year, the flats are covered with a thin layer of water from the winter's precipitation. But during August or September, the salt dries enough to create a surface hard as concrete and smooth as glass, yet moist enough to lessen the dangers of a tire blowout at high speeds. Many records have been set during racing season, for Bonneville Salt Flats is the only race track in the world where speeds have been attained of more than 300 miles an hour.

The Great Salt Lake has many fascinating aspects for sportsmen, vacationers, economists, and scientists. Thousands come each year to see America's largest salten sea. However, large as it is (1,500 square miles), it is only a thirteenth the size of its predecessor – Lake Bonneville. But then, that is another story for another time.

SALT LAKE CITY'S JET-AGE TERMINAL

Street-side entrance to the terminal... One incoming pilot characterized the new Salt Lake Airport Terminal as a "glistening jewel of the jet-age." The sparkling gem-like appearance of the building comes from the mo-sai precast panels, which were made by Otto Buehner Company from a special white onyx aggregate quarried near Nephi, Utah.

One of the finest airport terminals in the nation was opened on June 17th. Salt Lake City Airport was dedicated on that day, after 26 months in construction. The structure is the latest in architectural style and automation, an impressive sight to the airborne Salt Lake visitor. The terminal was designed by Ashton, Evans and Brazier, and constructed by Christiansen Brothers Inc., general contractors.

The center structure, which includes a 10,000 square-foot waiting room, is flanked by two expansive wings and two enclosed concourses. Orange and blue are the predominating colors in the public passageways. Set into the floor of the waiting room foyer is a circular map, done in terrazo – as are all the floors in the waiting room. The map is marked with airline routes extending from Salt Lake City to other points around the world.

In the north wing of the waiting room is a 150 seat coffee shop, and the baggage area. The ticket counters are along the south wing.

In the baggage area, a conveyor belt system transports the luggage from the south concourse in two and a half minutes, and from the north concourse in a matter of seconds. The bags are arranged along a stainless steel rack by an automatic electric eye depositor.

On the second floor is a 70-seat employees cafeteria, and the third through sixth floors house offices of various aviation services, including the Federal Aviation Agency and the office of the terminal manager, Joe

Bergin. On the seventh floor is located the control tower.

Also on the third floor of the terminal, overlooking the runways, is a beautiful dining room with walnut and oak appointments. The dining area is arranged on carpeted terraces, allowing an unobstructed view through the 4,896 square-foot expanse of glass extending from the first to the third floors.

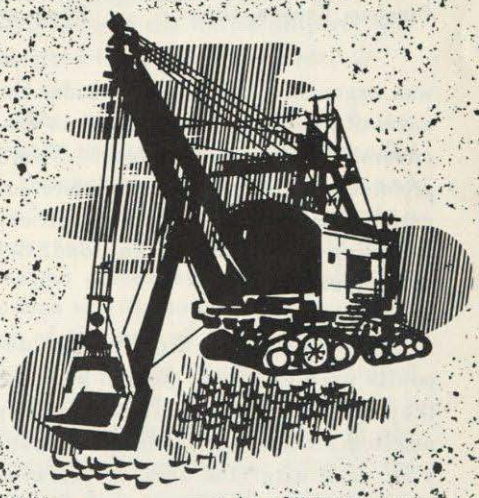
In line with the present architectural trend, the design of the new terminal allows for future expansion. The passenger concourses now contain a total of 21 passenger gates – nine on the north concourse and twelve on the south concourse – but provision has been made to extend each of them to 14 gates. In addition, the building has been designed with provisions for a future northwest passenger concourse with 14 positions, making a total of 42 possible gates. Other features may also be expanded at low cost if future need warrants.

B. Eugene Brazier, architect in charge of the project, inspected air terminals from coast to coast, including trips with city officials to terminals that had best overcome some of the problems of construction and usage which Salt Lake City was then facing.

This exhaustive planning is obvious in the colorful and impressive design, ease of traffic flow, and automatic features which simplify and speed the functions of Salt Lake City's jet-age terminal.

Ramp-side... Showing the three-story window-wall that offers an expansive view of airport activity.

THE UTAH COPPER STORY



Just 30 miles southwest of Salt Lake City, in Bingham Canyon, the world's largest open-pit, non-ferrous mine produces 22% of the nation's new copper. This is the Bingham Canyon Mine of the Utah Copper Division of Kennecott Copper Corporation. The mine is unique in several ways: It is the first open-pit mine in the copper industry; it is the largest single mining project man has ever undertaken; it has produced more copper than any other individual mine in history; it is second only to Chile's Chugicamata mine in estimated reserves; and since its beginning in 1906, more earth has been blasted and carried away than was done in digging the Panama Canal.

The mine is vast. The excavation area covers over 1,000 acres, and at its widest point it is about a mile and three-quarters across. The mining area requires 170 miles of trackage and with the amount of material hauled daily, normally there is a greater volume of traffic than on some of the larger railroads in the world. Over 6,000 workers are employed with an annual payroll of $34 million. The company is currently building the longest underground tunnel in the United States.

The Utah copper story began in 1863. At the encouragement of General Patrick E. Connor, "the father of Utah mining", soldiers of the Third California Infantry who were stationed at Fort Douglas, near Salt Lake City, began prospecting in Bingham Canyon during their leisure.

Fragments of lead ore were found, and the first mining district in Utah

The world-famous Utah Copper Division Mine of Kennecott Copper Corporation at Bingham Canyon, Utah. Photo courtesy Salt Lake City Chamber of Commerce.

was organized late in 1863 under the name of West Mountain. Gold was discovered the following year. Some promising mineral deposits were located, but because of difficulties, including the lack of a railroad, development was slow.

Ironically, the first copper deposits were largely neglected because they were low grade and not as easily smelted as lead ores. Bingham Canyon, until after the turn of the century, was essentially a lead-silver-gold mining camp.

Meantime, Colonel Enos A. Wall, a noted figure in Utah mining circles, had seen the possibilities of the copper deposits, and in the 13-year period beginning in 1877 he acquired all or part of 19 claims covering 200 acres. He had driven more than 3,000 feet of tunnels and drifts, enough to satisfy him that the copper bearing deposits, although low grade, were of great size.

He interested Captain Joseph R. De Lamar, a pioneer in Utah mining, in the Bingham property. In 1899 Captain De Lamar purchased a one-fourth interest in the property. He later obtained options on other claims.

Two young mining engineers, Daniel C. Jackling and Robert C. Gemmell, who were working for the captain, made an examination of the Bingham property. These two imaginative explorers visualized a substantial profit from developing ore containing only two per cent copper, which they proposed mining by steam

shovels in open-pit operation. They also proposed a concentrating plant be built 15 miles away near Garfield Beach on Great Salt Lake, nearest source of adequate water. The ore would be hauled on a standard-gauge railroad.

Their proposal, which embodied radical departures from accepted copper mining procedures, included the application of mass mining and milling methods. The brilliant report was ridiculed by successful mining men of that era. Captain De Lamar accepted the skepticism of the profession and gave up his option on Colonel Wall's property.

Four years later Jackling put the proposal before Charles McNeill and Spencer Penrose of Colorado Springs, Colorado. The two inspected the property with K. R. Babbitt and R. A. F. Penrose, and offered to provide the initial financing for the enterprise.

On June 4, 1903, the Utah Copper Company (now the Utah Copper Division of Kennecott Copper Corporation) was organized under the laws of Colorado. The first ore was milled in August, 1904, in a 300-ton per day capacity mill at Copperton, located a few miles below Bingham.

The following year the Guggenheim Exploration Company, after 17 engineers spent seven months examining the property, underwrote a $3,000,000 bond issue. The American Smelting and Refining Company began construction of a smelter at Garfield to treat the concentrates from a new 6,000-ton plant near Magna. The smelter started operation in 1907.

In 1908, after Utah Copper had pioneered the way, the Boston Consolidated Mining Company, which owned the upper group of claims in Bingham Canyon, started mining low-grade copper ore, later building a mill near the Magna concentrator.

In 1910, a merger was effected with Jackling in charge of the enterprise. The Boston company mill was remodeled and renamed Arthur Mill; the Utah mill was renamed Magna Mill. The two mills concentrated nearly 5,000,000 tons of ore in 1911. It soon became evident that more ore would be needed to keep the two plants operating.

Tonnage from the Boston underground working was increased and remained at a high level until 1914, when underground mining was discontinued and the entire property was converted to open-cut methods.

The constant search for better methods and procedures was extended to concentrator operations, where standard practice involved gravity processes. Experiments with froth flotation processes showed sufficient promise in 1914 to warrant a combination of the two systems. The flotation system was steadily developed to a high degree of efficiency. As a result of constant research and improvement, about 90 per cent of the metal is now recovered, compared to about 60 per cent in 1920.

Through the years continued improvement of methods and procedures has extended the life of the mine and property, making it one of the greatest mining enterprises in the world.

Our Karen Philips Goes

In Paris, Karen presented the scroll to Fokker Company director, F.J.L. Diepen.

(Below) WATCHING THE AIR SHOW Karen takes time out to watch the aerial exhibitions with U. S. Senator Howard Cannon (Nev.) and Prince Bernhard, Prince Consort of the Netherlands.

Lower photo: Fokker directors with six of the hostesses at the Fokker booth. The girls are, from left, Christobelle Stolz-East West Airlines, Bethene Azuklu-Turkish Airlines, Patricia Hudson-Airlines of New South Wales, Anne Lise Hagen-Braathens S.A.F.E., Karen, and Kathleen Courtney-Aer Lingus.

to the Paris Air Show

Petite, brown-eyed Karen Philips was chosen to represent Bonanza, and other United States F-27 operators, at the famous Paris Air Show, held in Paris, May 26 through June 4.

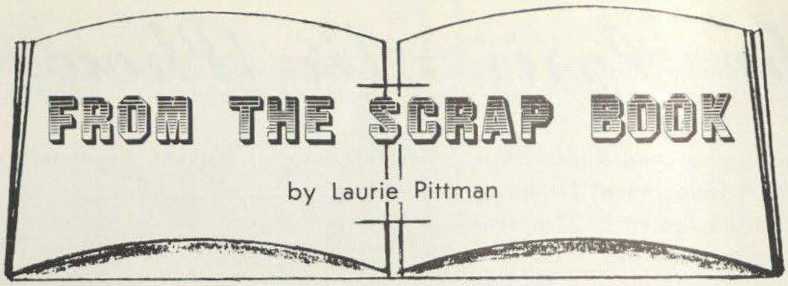
To commemorate the occasion, president Edmund Converse presented Karen with a scroll to be delivered in Paris to the Royal Netherlands Aircraft Factories Fokker - sponsors of her trip.

Departing for Europe on May 21st, Karen flew first to Amsterdam where she toured the Fokker Factories. In Paris, she and F-27 airline stewardesses from seven other countries were on hand at the Fokker exhibit to greet air show visitors.

INDUSTRY NEWS IN BRIEF

Compiled by Larry Curns

Jet travel is changing hotel habits. A California hotel has noted that since jet service began its guests stay only three and a half days on the average rather than the five days average prior to jet service. However, they come more often . . . **The Assistant Postmaster General,** Ralph W. Nicholson, recently told a Congressional committee that he estimates the Post Office Department will net approximately $10,000,000 from airmail this year. In comparison, the entire U.S. domestic trunk industry's 1960 net profit was $1,100,000 from all services. This is far from sufficient to pay for a single pure jet transport . . . **It would seem** our procedure of issuing visas is in need of a revision. It is easier for a Japanese tourist to obtain a visa to visit Soviet Russia than for the United States . . . **TAI, the French independent airline,** began twice weekly DC-8 service between Los Angeles and Tahiti, making use of the new 11,200 foot runway at Papeete's airport. Flights operate via Honolulu on Thursday, and nonstop on Friday . . . **Eastern Air Lines** plans to begin construction of a major jet overhaul base at Miami International Airport about September 30th using funds from a $17.25 million bond issue already approved by the Dade County Port Authority . . . **The first flight** in airlines colors of the world's newest and fastest jet transport, the Convair 990, has focused attention on the starting date for its entry into passenger service in the United States, which American Airlines anticipates will be about the end of the year. Dramatic evidence of the 990 Astrojet's potential as a passenger transport was demonstrated early in May when one of the airplanes in the test program set a world's speed record for commercial jets of Mach.97 (675 miles an hour) — within three per cent of the speed of sound. The jetliners will be certificated to cruise at Mach.91 — or 640 miles an hour.



One Year Ago – 1960

Integration of two more F27A jetprop Silver Darts into Bonanza Air Lines' system has made it possible to replace all Las Vegas – Los Angeles and Las Vegas – Phoenix DC-3 flights that had previously been included in Bonanza's schedules between these points. Bonanza is currently making a system-wide conversion to the Silver Dart, and as of the first of June nearly 90 percent of the company's schedules, encompassing 11,188 daily miles in Arizona, California, Nevada and Utah, will be flown with the jetprop.

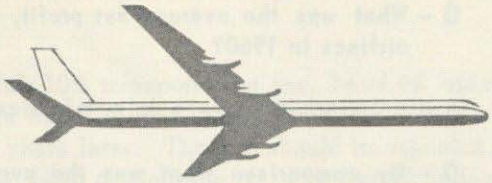
Five Years Ago – 1956

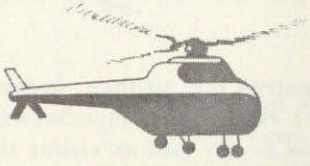
A Bonanza Air Lines official told the Civil Aeronautics Board his company may use new twin-engine F-27A jetprop planes between Las Vegas and Los Angeles if the Board approves Bonanza's application to fly that route. Testifying at a hearing before CAB Examiner Ferdinand Moran, G. Robert Henry, vice president and general counsel of Bonanza, said his company expects delivery in 1958 of three such planes. Bonanza proposes stops at Apple Valley and Riverside – Ontario, in California, on the Las Vegas – Los Angeles flight.

Ten Years Ago – 1951

The most numerous passenger load ever carried by an airline in the world arrived in Las Vegas Thursday afternoon, August 2nd. The load consisted of 11,350,000 ladies – all bound for Phoenix. Despite the fact that the plane was so greatly loaded, the pilots had little difficulty making the trip, and no more power was needed than is used ordinarily. Before you become too excited and wonder just how so many ladies could be squeezed into the confines of one airplane, let it be said that the 11,350,000 feminine travelers were lady bugs, contained in gallon-sized boxes in the baggage compartment. Finding their boxes too tight for comfort, the more determined of the little yellow bugs found a tiny hole in their container, from which they laboriously climbed to more spacious quarters. The plane's captain suspected the truth when several lady bugs took their positions on the flight map in the much cooler control room of the plane.

SOME FACTS ABOUT AIRLINE PROFITS





A recent questionnaire was given to 9000 selected high school students in 34 cities to determine their knowledge and impressions of general business and commercial facts. Among the questions asked was, "How much profit do the scheduled airlines make?"

The average of the answers showed that these 9000 high school students think an airline's profit is 25 to 35%. Some said as high as 50% profit. It could probably be assumed that the same cross-section of students would peg the profit level of other businesses and industries at the same "dreamy" percentage.

For our own enlightenment, if not theirs, let's take a look at the airline financial condition in these record-breaking times.

Q – How much did the average passenger spend for his domestic trunkline one-way ticket in 1960?

A – $36.23.

Q – How much did the airlines keep as net profit per passenger?

A – Two cents

Q – How much did the Federal Government make off each passenger, in the form of various taxes imposed?

A – $4.00 per passenger.

Q – What was the average net profit, after taxes and interest, of the airlines in 1960?

A – 6/100 of 1% on each dollar of sales.

Q – By comparison what was the average net profit of other U. S. corporations?

A – 5% on each dollar of sales.

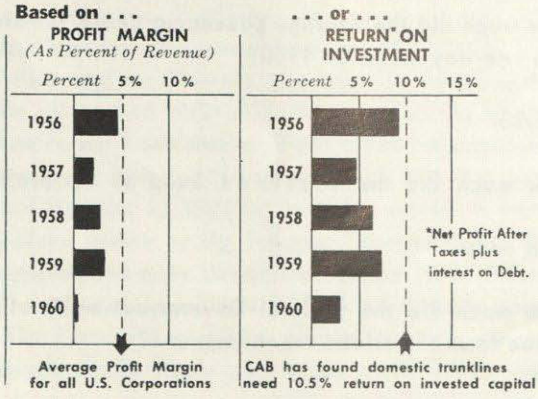
Q – The airline industry appears to the public to be in good shape. How come?

A – There are those who seem to misconstrue the airlines' dynamic growth and modernization as prima facie evidence of financial well-being. It is an observation that seems to say that an airline that buys new airplanes, installs modern ground facilities, etc., must be well off – otherwise it couldn't afford such expensive equipment. Actually, the airline industry is modern, progressive, and growing – but it is not rich. It is in serious financial trouble.

Q – Is this just a bad year for the airlines?

A – No, it was the 5th consecutive year that profits have fallen far below the standards deemed by the Civil Aeronautics Board to be necessary. In 1960, despite record traffic volumes and gross revenues, the airline industry's net profits were lower than in any year since 1948.

AIRLINE PROFITS SUBNORMAL



Q – What is the cause? What factors have brought this on? What needs correcting?

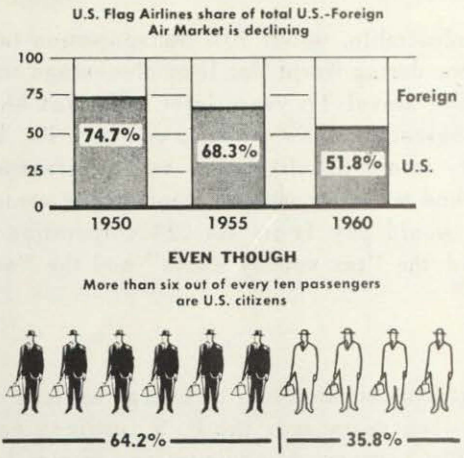
A – 1. The undesirable, unfair 10% transportation tax, levied upon travelers during World War II to discourage travel, is still discouraging travel 16 years later. The tax should be repealed, but Congress has now voted to continue it. The United States treasury would benefit from an encouragement of passenger travel and a consequent increase in the amount which the industry would pay from its 52% corporation tax. It has been called the "tax nobody wants" and the "see America last" tax.

2. The extravagant awarding to foreign airlines of routes into the U. S. – ten years ago, the U. S. airlines carried 75% of the air traffic between this country and foreign lands. Last year, the U. S. carriers' percentage of this traffic was only 51.8%. The drop from 1959 to 1960 alone was five percentage points. On the important North Atlantic route, i.e., between the U. S. and Europe, our airlines last year carried only about 38% of the business. It is sobering truth that far more Europeans visit the Soviet Union every year than visit the United States.

One example: *Hear these June 6 remarks from Congressman John Jarman of Oklahoma: "Our State Department is being bombarded with requests from the Dutch government to grant KLM – the Dutch airline – rights to Los Angeles. The Dutch demand access to Los Angeles even though they currently enjoy rights to New York, Miami and Houston, in exchange for which American-flag carriers are given access to Amsterdam. Not satisfied with a tremendously overbalanced scale – a 24-to-1 advantage over U. S. carriers – Dutch authorities are pressing relentlessly for another succulent plum to add to their already overstuffed pudding."*

Declared Florida's Congressman Dante B. Fascell May 10, "If the State Department justifies each fresh concession to Dutch diplomatic pressure on the ground that the concession will remove friction, I do not see how it can ever end. We cannot continue to reward the Dutch for creating the friction. There is another element of the Dutch campaign for Los Angeles rights which I find deeply disturbing," he continued. "It has been alleged that the Dutch have been in flagrant violation of the capacity and frequency clauses of the 1957 (Transatlantic) agreement ever since that agreement was signed. . . I understand that even the State Department concedes that the Dutch are in violation of the 1957 agreement."

PASSENGER TRAFFIC BETWEEN THE UNITED STATES AND FOREIGN COUNTRIES



3. Competition provided by the U. S. Government-owned airline "MATS", and government traffic-procurement practices which force unreasonably low rates on airlines for carrying government traffic.
4. White House fuel tax proposal for the airlines would stifle the very expansion the Administration is striving for. The airlines paid more than $17 million in fuel taxes in 1960. If Congress accepts the increased tax proposal of the Administration, the airlines' fuel tax bill would jump to $52,620,000 in fiscal 1962, and to over $70 million in fiscal 1963. . . . Needless to say, with the profit performance of the airlines over the past five years, the industry is utterly incapable of bearing such additional financial burdens at this time.
5. Increased costs resulting from, among other things:
   a) Larger, more complex aircraft
   b) New regulatory requirements
   c) More expensive parts and materials
   d) Higher wages
   e) Higher airport charges
   f) Increased airport ground handling costs.

Source:

Air Transport Association
Civil Aeronautics Board
Quoted excerpts
Miscellaneous industry facts

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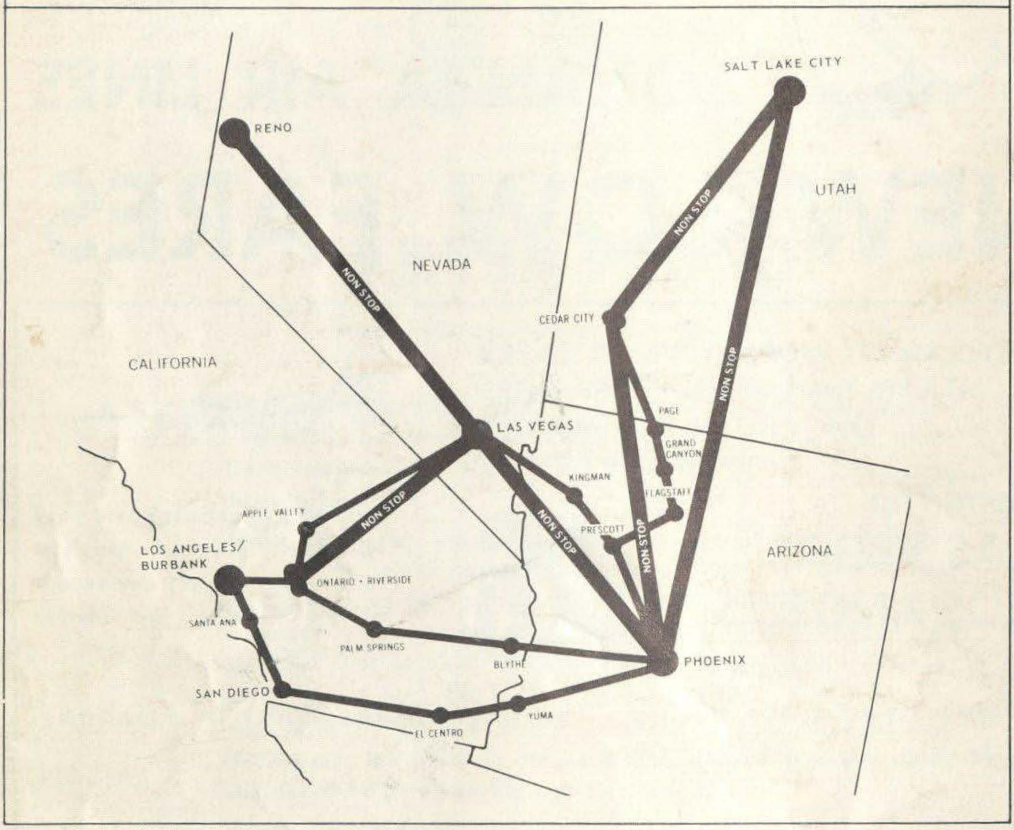
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